

TULARE COUNTY ECONOMIC FORECAST

Tulare County is located in the San Joaquin Valley. Nearly half of all land in the county is devoted to national parks or national forests. It also has a large agricultural sector, and routinely garners one of the highest crop values in the nation. Its most prevalent commodity is milk, which generates more than \$2 billion in annual output. The county is also a large producer of oranges, cattle, and grapes.

Tulare County has a population of 468,200 people and a total of 162,300 wage and salary jobs. The income per capita is \$36,855 and the average salary per worker is \$46,613.

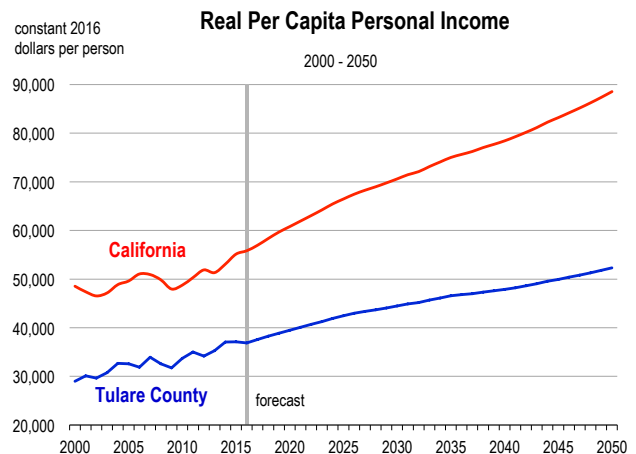
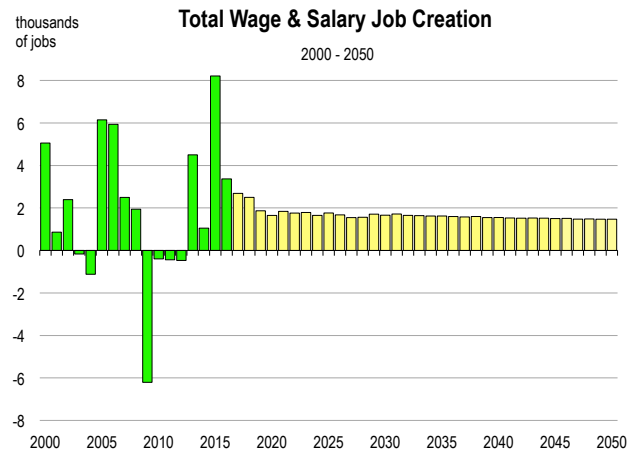
In 2016, employment across Northern California increased by 3.2 percent, whereas employment in the San Joaquin Valley (Fresno, Kings, Madera, Merced, San Joaquin, Stanislaus, and Tulare counties) grew by 2.9 percent. In Tulare County, 3,400 total wage and salary jobs were gained, representing a growth rate of 2.1 percent. The unemployment rate, while still very high, improved from 11.6 percent in 2015 to 11.0 percent in 2016.

In 2016, the largest employment gains were observed in government (+1,200 jobs), education and healthcare (+800 jobs), wholesale and retail trade (+600 jobs), and manufacturing (+600 jobs). The largest losses were in agriculture (-850 jobs).

During the 2011-2016 period, the Tulare County population expanded at a rate of 0.9 percent per year. All of this growth was due to the natural increase (new births), as net migration was negative.

FORECAST HIGHLIGHTS

- In 2017, total employment is expected to increase by 1.7 percent. Between 2017 and 2022, growth will average 1.1 percent per year.
- Average salaries are currently below the California state average, and will remain so over the forecast period. In Tulare County, inflation-adjusted salaries are expected to rise by an average of 2.3 percent per year between 2017 and 2022.
- Between 2017 and 2022, the largest employment gains will be observed in transportation and utilities, professional and business services, government, and education and healthcare. Together, these sectors will account for 61 percent of net job creation in the county.
- In Tulare County, population growth will accelerate, with annual growth in the 2017-2022 period averaging 1.2 percent.
- Net migration will be positive but low. Over the 2017-2022 period, an average of 1,000 net migrants will enter the county each year.
- Over the next five years, an average of 1,500 housing permits will be issued each year. The largest potential development



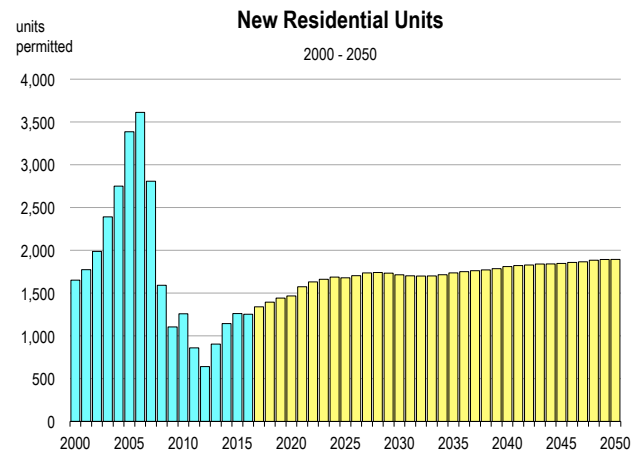
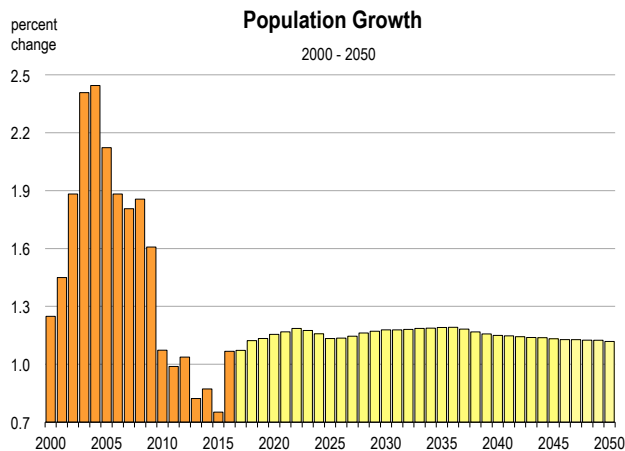
project is Yokohi Ranch, which would be located 15 miles east of Visalia. The project could contain up to 10,000 homes, but construction may not begin until after the year 2022.

- Real income per capita is projected to rise by 2.0 percent in 2017. Between 2017 and 2022, the growth of real income per capita is expected to average 1.6 percent per year.
- Total taxable sales, adjusted for inflation, are expected to increase by an average of 1.3 percent per year from 2017 to 2022.
- Industrial production will rise by 4.6 percent in 2017. During the 2017-2022 period, the growth rate of industrial production will average 2.5 percent per year.
- Farm production is forecast to increase by 1.3 percent per year between 2017 and 2022. The principal commodity in the county is milk.

Tulare County Economic Forecast

2010-2016 History, 2017-2050 Forecast

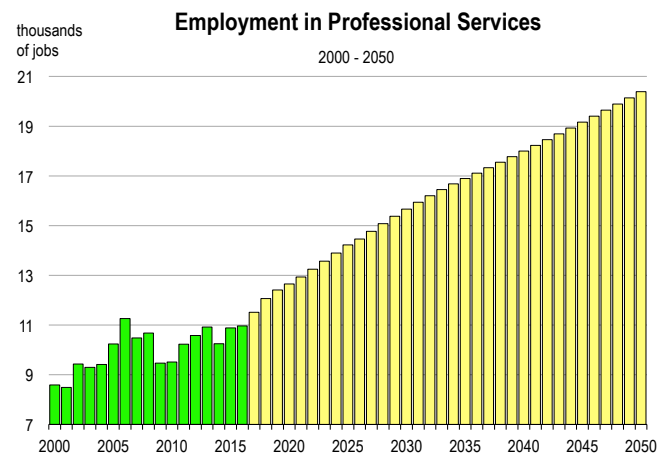
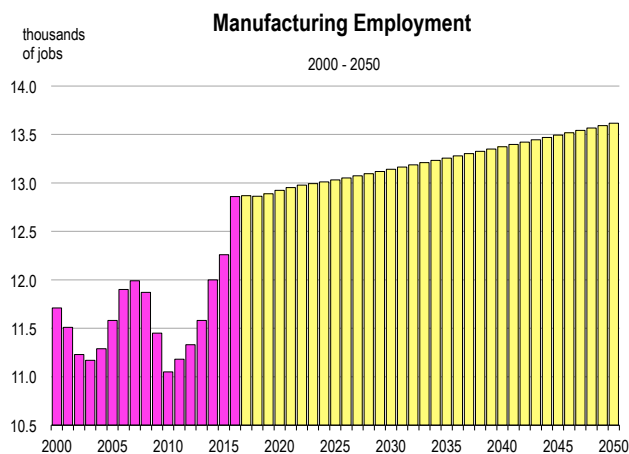
	Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (billions)	Real Industrial Production (billions)	Unemploy- ment Rate (percent)
2010	443,111	-891	349	130.3	1,259	\$4.5	\$13.3	\$33,683	1.3	5.47	3.29	17.2
2011	447,493	-920	347	131.0	860	\$5.1	\$14.3	\$35,011	2.7	6.17	3.20	17.1
2012	452,135	-557	348	131.6	641	\$5.5	\$14.4	\$34,159	2.7	6.66	3.42	16.1
2013	455,854	-1,195	360	132.0	903	\$5.8	\$15.2	\$35,282	2.3	8.25	3.63	14.4
2014	459,831	-758	367	132.7	1,143	\$6.2	\$16.4	\$37,048	2.8	8.39	3.81	13.1
2015	463,291	-1,059	377	133.6	1,261	\$6.3	\$16.8	\$37,114	2.6	7.14	4.01	11.6
2016	468,235	777	387	134.6	1,254	\$6.7	\$17.3	\$36,855	3.0	7.33	4.19	11.0
2017	473,256	835	394	136.0	1,339	\$6.9	\$18.3	\$37,592	3.1	7.42	4.38	10.8
2018	478,569	982	400	137.4	1,394	\$7.2	\$19.4	\$38,275	3.0	7.52	4.50	10.4
2019	483,995	967	405	138.8	1,442	\$7.5	\$20.4	\$38,901	2.6	7.62	4.61	10.6
2020	489,585	1,035	410	140.2	1,467	\$7.8	\$21.6	\$39,486	3.1	7.72	4.73	10.7
2021	495,304	1,057	416	141.7	1,574	\$8.2	\$22.8	\$40,107	3.0	7.81	4.84	10.6
2022	501,178	1,081	421	143.2	1,631	\$8.5	\$24.0	\$40,687	3.0	7.92	4.95	10.6
2023	507,068	973	425	144.9	1,661	\$8.8	\$25.3	\$41,277	3.0	8.02	5.08	10.5
2024	512,941	830	430	146.5	1,687	\$9.1	\$26.6	\$41,916	2.9	8.12	5.19	10.4
2025	518,755	658	434	148.2	1,679	\$9.5	\$27.9	\$42,458	2.9	8.23	5.30	10.2
2026	524,647	628	438	149.9	1,703	\$9.8	\$29.2	\$42,981	2.8	8.34	5.40	10.0
2027	530,657	659	442	151.6	1,736	\$10.1	\$30.5	\$43,358	2.9	8.45	5.53	9.9
2028	536,825	730	446	153.4	1,740	\$10.5	\$31.9	\$43,689	2.7	8.56	5.67	9.9
2029	543,113	748	451	155.1	1,733	\$10.8	\$33.3	\$44,067	2.5	8.68	5.81	9.8
2030	549,514	735	456	156.8	1,714	\$11.2	\$34.7	\$44,460	2.4	8.79	5.97	9.8
2031	555,989	703	461	158.6	1,702	\$11.6	\$36.2	\$44,883	2.3	8.91	6.12	9.8
2032	562,554	679	465	160.3	1,699	\$12.0	\$37.7	\$45,167	2.5	9.04	6.28	9.7
2033	569,226	676	470	162.0	1,701	\$12.4	\$39.4	\$45,686	2.1	9.16	6.44	9.7
2034	575,985	681	474	163.7	1,714	\$12.8	\$41.1	\$46,132	2.3	9.29	6.61	9.7
2035	582,844	709	479	165.4	1,736	\$13.2	\$42.9	\$46,564	2.4	9.42	6.78	9.6
2036	589,790	753	483	167.1	1,750	\$13.7	\$44.7	\$46,801	2.8	9.55	6.96	9.6
2037	596,764	784	487	168.9	1,762	\$14.2	\$46.7	\$47,014	2.9	9.69	7.14	9.6
2038	603,733	806	492	170.7	1,771	\$14.7	\$48.7	\$47,345	2.7	9.83	7.33	9.5
2039	610,721	825	496	172.4	1,785	\$15.2	\$50.9	\$47,586	2.9	9.97	7.53	9.5
2040	617,742	855	500	174.2	1,810	\$15.6	\$53.1	\$47,862	2.8	10.12	7.73	9.5
2041	624,830	902	505	176.1	1,821	\$16.1	\$55.4	\$48,216	2.6	10.26	7.93	9.5
2042	631,972	926	509	177.9	1,828	\$16.6	\$57.8	\$48,606	2.5	10.41	8.13	9.4
2043	639,170	941	513	179.7	1,840	\$17.1	\$60.3	\$49,032	2.4	10.57	8.34	9.4
2044	646,443	962	517	181.6	1,841	\$17.6	\$62.9	\$49,546	2.2	10.73	8.56	9.4
2045	653,763	965	521	183.4	1,846	\$18.1	\$65.5	\$49,947	2.4	10.89	8.79	9.4
2046	661,137	978	525	185.3	1,858	\$18.6	\$68.2	\$50,385	2.3	11.05	9.02	9.4
2047	668,593	998	529	187.1	1,865	\$19.1	\$71.0	\$50,829	2.3	11.22	9.25	9.3
2048	676,116	1,014	533	189.0	1,884	\$19.6	\$74.0	\$51,291	2.3	11.39	9.49	9.3
2049	683,720	1,051	537	190.9	1,893	\$20.2	\$77.2	\$51,786	2.3	11.56	9.73	9.3
2050	691,367	1,066	541	192.8	1,894	\$20.8	\$80.5	\$52,310	2.3	11.74	9.98	9.3

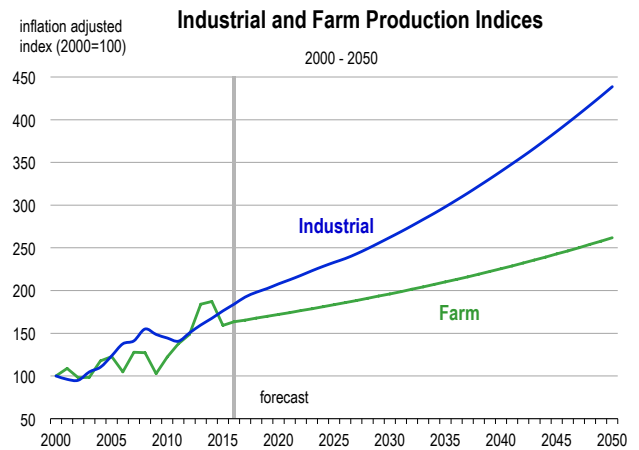
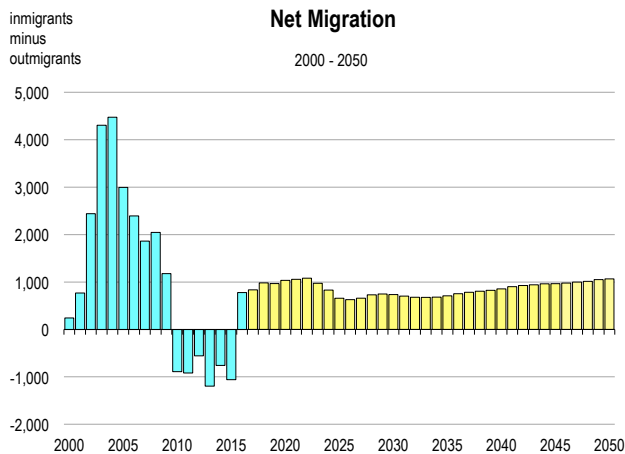
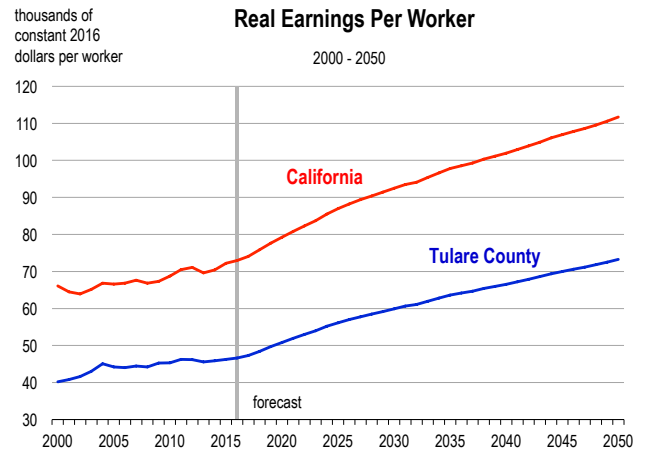
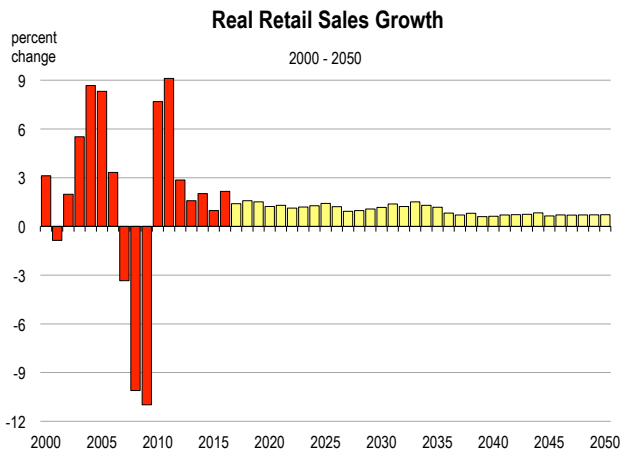


Tulare County Employment Forecast

2010-2016 History, 2017-2050 Forecast

	Total Wage & Salary	Farm	Construction	Manufac- turing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
employment (thousands of jobs)												
2010	146.1	37.7	3.9	11.1	5.1	18.4	3.8	9.5	1.1	12.5	8.9	31.0
2011	145.6	36.4	3.9	11.2	5.6	18.6	3.8	10.2	1.0	12.4	8.9	30.6
2012	145.2	33.7	4.0	11.3	6.1	19.4	3.8	10.6	0.9	12.1	9.5	30.6
2013	149.7	35.1	4.2	11.6	6.4	20.3	3.8	10.9	0.9	13.3	10.0	30.0
2014	150.7	34.9	4.5	12.0	6.4	20.7	3.9	10.3	0.9	13.7	10.6	29.5
2015	158.9	39.1	4.9	12.3	6.9	21.2	4.0	10.9	1.0	13.8	11.1	30.3
2016	162.3	38.3	5.4	12.9	6.9	21.8	4.2	11.0	1.0	14.6	11.4	31.4
2017	165.0	38.5	5.6	12.9	7.2	22.1	4.2	11.5	1.0	15.1	11.6	31.7
2018	167.5	38.7	5.8	12.9	7.7	22.4	4.3	12.1	1.0	15.4	11.7	31.9
2019	169.3	38.9	5.7	12.9	8.0	22.6	4.3	12.4	1.1	15.7	11.9	32.2
2020	171.0	39.1	5.8	12.9	8.2	22.7	4.4	12.7	1.1	16.0	12.1	32.5
2021	172.8	39.2	5.9	13.0	8.4	22.9	4.4	12.9	1.1	16.3	12.3	32.8
2022	174.6	39.4	6.0	13.0	8.5	23.0	4.4	13.2	1.1	16.5	12.5	33.1
2023	176.4	39.6	6.0	13.0	8.5	23.1	4.5	13.6	1.1	16.8	12.7	33.6
2024	178.0	39.7	6.0	13.0	8.6	23.2	4.5	13.9	1.2	17.1	12.9	34.0
2025	179.8	39.9	6.0	13.0	8.6	23.3	4.6	14.2	1.2	17.4	13.0	34.6
2026	181.5	40.0	6.0	13.1	8.7	23.5	4.6	14.5	1.2	17.7	13.1	35.1
2027	183.0	40.2	6.0	13.1	8.7	23.6	4.7	14.8	1.2	18.0	13.1	35.5
2028	184.6	40.4	6.0	13.1	8.8	23.7	4.7	15.1	1.2	18.3	13.2	36.0
2029	186.3	40.5	6.0	13.1	8.9	23.8	4.8	15.4	1.2	18.6	13.3	36.4
2030	187.9	40.7	6.0	13.1	8.9	23.9	4.8	15.7	1.2	18.9	13.5	36.9
2031	189.7	40.8	6.0	13.2	9.0	24.1	4.9	15.9	1.2	19.3	13.6	37.4
2032	191.3	41.0	6.0	13.2	9.0	24.2	4.9	16.2	1.2	19.6	13.8	37.8
2033	192.9	41.2	6.1	13.2	9.1	24.3	5.0	16.4	1.3	20.0	13.9	38.2
2034	194.6	41.3	6.1	13.2	9.1	24.5	5.0	16.7	1.3	20.3	14.0	38.6
2035	196.2	41.5	6.1	13.3	9.2	24.6	5.0	16.9	1.3	20.7	14.2	39.0
2036	197.8	41.7	6.2	13.3	9.2	24.7	5.1	17.1	1.3	21.0	14.4	39.4
2037	199.4	41.9	6.2	13.3	9.3	24.8	5.1	17.3	1.3	21.3	14.5	39.8
2038	201.0	42.0	6.3	13.3	9.3	24.9	5.2	17.6	1.3	21.7	14.7	40.1
2039	202.5	42.2	6.3	13.3	9.4	25.0	5.2	17.8	1.3	22.0	14.8	40.5
2040	204.1	42.4	6.4	13.4	9.4	25.1	5.3	18.0	1.3	22.3	15.0	40.8
2041	205.6	42.6	6.4	13.4	9.5	25.2	5.3	18.2	1.3	22.7	15.2	41.2
2042	207.1	42.8	6.4	13.4	9.5	25.3	5.3	18.5	1.3	23.0	15.4	41.5
2043	208.6	43.0	6.5	13.4	9.6	25.4	5.4	18.7	1.3	23.3	15.5	41.9
2044	210.1	43.2	6.5	13.5	9.6	25.5	5.4	18.9	1.3	23.7	15.7	42.2
2045	211.7	43.3	6.5	13.5	9.7	25.6	5.4	19.2	1.3	24.0	15.9	42.5
2046	213.2	43.5	6.6	13.5	9.7	25.7	5.5	19.4	1.3	24.3	16.1	42.8
2047	214.6	43.7	6.6	13.5	9.7	25.8	5.5	19.6	1.3	24.6	16.3	43.1
2048	216.1	43.9	6.7	13.6	9.8	25.9	5.6	19.9	1.3	24.9	16.5	43.4
2049	217.6	44.1	6.7	13.6	9.8	26.0	5.6	20.1	1.3	25.3	16.7	43.7
2050	219.1	44.3	6.8	13.6	9.8	26.1	5.6	20.4	1.3	25.6	16.9	44.0





County Economic and Demographic Indicators

Projected Economic Growth (2017-2022)

Expected retail sales growth:	6.9%
Expected job growth:	5.8%
Fastest growing jobs sector:	Transportation & Utilities
Expected personal income growth:	14.6%

Expected population growth:	5.9%
Net migration to account for:	18.3%
Expected growth in number of vehicles:	6.8%

Demographics (2017)

Unemployment rate (April 2017):	9.9%
County rank* in California (58 counties):	54th
Working age (16-64) population:	61.4%

Population with B.A. or higher:	13.0%
Median home selling price (2016):	\$199,000
Median household income:	\$45,770

Quality of Life

Violent crime rate (2015):	385 per 100,000 persons
County rank* in California (58 counties):	31st
Average commute time to work (2017):	24 minutes

High school drop out rate (2016):	7.9%
Households at/below poverty line (2017):	23.1%

* The county ranked 1st corresponds to the lowest rate in California